

Finance Committee Meeting

April 13, 2022 7:00 PM EST
Veterans Memorial Building – Room #229
Millis, MA 02054

Committee Members In Attendance:

Pete Berube, Chair
Jodie Garzon, Vice Chair
Peter Underhill, Clerk
Joyce Boiardi
Jim Borgman
Jonathan Loer
Cathy MacInnes
Sara Reyes - Remote
John Steadman

Invited Guest:

Michael Guzinski, Town Administrator
Carol Johnston, Finance Director
Craig Schultze, Select Board Clerk
Donna Cabibbo, Town Moderator
Ellen Rosenfeld

Pete Berube called the Finance Committee Meeting to order at 7:03 PM.

May 2022 Town Meeting Warrant Article Discussion and Recommendations:

The Annual Spring Town Meeting will be held on Monday, May 2, 2022 at 7:30 PM at the Middle/High School Auditorium. It was noted, the Select Board made changes to the Town Meeting Warrant at their meeting on April 11, 2022.

Article #2: FY22 Additional Wages and Expenses

This Article was deferred and will be recommended at Town Meeting.

Article #3: FY23 Operating Budget

The Finance Director provided the committee with an FY23 Operating Budget Summary. Budget Presentations were made by several Municipal Departments and the School Department. John Steadman requested discussion begin with the HCA (Host Community Agreement) Marijuana Impact Fund Appropriations. Specifically, the Social Worker in the amount of \$35,000.00 and the Oak Grove Farm Grounds Improvements in the amount of \$17,055.00: \$7,500.00 for Soccer Nets and Signs and \$9,555.00 for Trail Improvements. It was noted the Social Worker Salary is included in the Executive Office Operating Budget; ½ of the Salary will be funded at the Spring Town Meeting and the remaining \$35,000.00 will be appropriated at the Fall Town Meeting. The Social Worker will report to the Town Administrator for Municipal services and the School Superintendent for School services.

The Police and Fire and Rescue Chiefs confirmed the need for a Town Wide Social Worker; there were over 130 incidents in the last year where a Social Worker would have been beneficial in addressing the situation. While it is unclear if the incidents were due to Marijuana Sales in town, there is an ever-growing need across the country for Social Worker intervention. The Millis Police Department is being trained on ways to deescalate situations.

Craig Schultze confirmed the Select Board's view on using HCA Funds for Oak Grove Farm Grounds Improvement is that nature and regular outdoor activities are a healthy alternative for youths. The HCA Marijuana Impact Funds are intended to provide alternatives for the community to promote a healthy lifestyle. A Recreation Department Teen Coordinator, After-School Activities Program, School Resource Officer and extended Library hours are funded by HCA Funds.

John Steadman voiced his concern with funding Oak Grove Farm Trail Improvements in the Operating Budget with HCA Funds of \$9,555.00 and with Community Preservation Funds in Article #11 in the amount of \$16,900.00; plans for the improvements have not been developed and will require engineering costs. He supports the need for the improvements, but questions funding it from two different sources.

Pete Berube reminded the committee that there is the option to amend a motion prior to a Final Recommendation. The FY23 Operating Budget has to balance for Town Meeting approval. There are concerns from committee members that their

recommendations are simply a “rubber stamp” of the Select Board’s recommendations. The committee can vote to amend the Operating Budget presented before making their recommendation to Town Meeting.

Jodie Garzon requested clarification on the Executive Office Budget (Town Administrator/Select Board). Carol Johnston outlined the changes:

- Department Head Salary Line Item is \$107,031.00 which reflects an increase of \$21,103.00 for an upgrade from Operations Support Manager to Assistant Town Administrator/Human Resources Director.
- Clerical Wages is increased by \$22,074.00; \$12,874.00 for the addition of an 18 hour per week Department Assistant I, a reduction of 4 hours per week for the Department Assistant II and \$9,200.00 for HCA Administrative Support.
- Reduction of \$2,000.00 for Sick Leave Buyback.
- Expenses are increased to include the Annual Audit, \$37,000.00 and Consulting Services \$30,000.00; the addition of the Social Worker \$35,000.00 and a reduction of Additional Consulting Services by \$5,000.00.
- Town Administrator Salary is \$175,255.00.

It was noted there are changes in the Recreation Department Budget to reflect fully funding the Director’s Salary through the General Fund. As a result, the Department’s Revolving Fund has been eliminated; all receipts will be deposited into the General Fund. Changes to the Police Department Budget reflect their Collective Bargaining Agreement ratification. The School Department’s Operating Budget reflects an increase to bridge the gap for SPED and consolidation of Facilities Maintenance. Municipal Buildings Maintenance will now be managed by the School Department.

Carol Johnston and Mike Guzinski outlined how State Chapter 70 and Circuit Breaker Funds work and how the need to bridge the gap is necessary for FY23:

Chapter 70 Funds provide State Aid to Elementary and Secondary School Operations. The Special Education (SPED) Circuit Breaker Funds reimburses School Districts for a portion of their costs above a certain threshold for educating SPED Students. SPED Circuit Breaker Funds are based on the prior Fiscal Year, it is anticipated the Millis School District will be in deficit by \$500,000.00 in FY23. Craig Schultze confirmed the Select Board voted in favor for a one-time additional \$300,000.00 to fund the deficit.

The Circuit Breaker monies have a Special Fund managed by the School Department and are not part of the General Fund. Each Fiscal Year, the Circuit Breaker monies are received to fund the upcoming Fiscal Year’s costs for SPED Expenses. If the funds for the upcoming Fiscal Year do not adequately fund the upcoming Fiscal Year’s anticipated SPED costs, the town has to bridge the gap or force cuts to the SPED Program. However, for the following Fiscal Year, FY24, the Circuit Breaker funds will reflect the cost for FY23 SPED. The Circuit Breaker Special Fund can not exceed the Fiscal Year’s allowance, any excess funds are then rolled into Free Cash. It was unclear if the Town’s Appropriations to bridge the gap are expended prior to the SPED State Funding.

Jodie Garzon made a motion to recommend approval of Article #3 in the amount of \$39,781,035.00 of which \$37,801,118.00 is funded from Taxation, \$412,234.00 from the Ambulance Fund, \$332.00 from Prospect Hill Cemetery Perpetual Care Interest, \$7,212.00 from Prospect Hill Cemetery Sale of Lots, \$55,224.00 from Cell Tower Revenues, \$114,831.00 from Bond Premium Release, \$303,449.00 from HCA Marijuana Impact Fees, \$375,899 from Free Cash, \$247,258.00 from a transfer from the Sewer Enterprise Fund for Indirect Costs, \$302,204.00 from a transfer from the Water Enterprise Fund for Indirect Costs, and \$161,274.00 from a transfer from Stormwater Enterprise Funds for Indirect Costs; Joyce Boiardi seconded.

Carol Johnston clarified the definition of a Bond Premium Release: when a project, such as the Library, Police Station and Fire Engine are bonded, a bond offering could be received. The Bond Premium to fund Article #3 is from projects bonded prior to 2016 and is a residual amount that is not owed.

Cathy MacInnes inquired about the increase to the Executive Office Salary Budget, knowing New Growth will most likely diminish over the next several years, she respectively asked the increase be reconsidered until input from residents on their desire for their tax dollars to be better utilized repairing roadways and sidewalks. Enterprise Fund Transfers to the General Fund for Indirect Costs total \$710,736.00. Indirect Costs are a percentage of overall department budgets: Executive, Legal, Finance, Treasurer, IT and Assessor in addition to the Operating Costs of each Enterprise Fund. Carol Johnston clarified the town adopted a new methodology in FY17 with regards to Indirect Costs and has since had input from an outside agency, Community Paradigm, to analyze Enterprise Fund Indirect Costs. Carl Valente of Community Paradigm made a presentation to the Select Board on April 11, 2022 outlining the results of the Enterprise Fund Indirect Cost Study. Based on his findings, there does need to be adjustments to the Sewer and Stormwater Indirect Costs. The plan is to use a three-year rolling average in order to balance the inconsistencies from previous years. In FY23, the Indirect Costs are based on a 2.5% increase from FY22.

Vote: John Steadman - aye, Sara Reyes - aye, Cathy MacInnes - nay, Jon Loer - aye, Jim Borgman - aye, Joyce Boiardi - nay, Peter Underhill - aye, Jodie Garzon - aye and Pete Berube - aye. Vote: 7/2 motion carries.

Article #5 Sewer Enterprise Fund

Jodie Garzon made a motion to recommend approval of Article #5 in the amount of \$1,766,855.00 of which \$293,966.00 will fund Salaries and \$1,472,889.00 will fund Expenses; Peter Underhill seconded.

Vote: John Steadman – aye, Sara Reyes – aye, Cathy MacInnes – nay, Jon Loer – aye, Jim Borgman – aye, Joyce Boiardi abstained, Peter Underhill – aye, Jodie Garzon – aye, Pete Berube – aye. Vote: 7/1 1 abstained.

Article #6 Water Enterprise Fund

Jodie Garzon made a motion to recommend approval of Article #6 in the amount of \$2,494,228.00 of which \$390,694.00 will fund Salaries and \$2,103,534.00 will fund Expenses; Peter Underhill seconded.

Vote: John Steadman – aye, Sara Reyes – aye, Cathy MacInnes – nay, Jon Loer – aye, Jim Borgman – aye, Joyce Boiardi abstained, Peter Underhill – aye, Jodie Garzon – aye, Pete Berube – aye. Vote: 7/1 1 abstained. Motion carries.

Article #7 Stormwater Enterprise Fund

Jodie Garzon made a motion to recommend approval of Article #7 in the amount of \$630,273.00 of which \$186,201.00 will fund Salaries and \$444,252.00 will fund Expenses; Peter Underhill seconded.

Vote: John Steadman – aye, Sara Reyes – aye, Cathy MacInnes – nay, Jon Loer – aye, Jim Borgman – aye, Joyce Boiardi abstained, Peter Underhill – aye, Jodie Garzon – aye, Pete Berube – aye. Vote: 7/1 1 abstained. Motion carries.

Article #8 Consent Agenda

John Steadman made a motion to recommend approval of Article #8 as written in the Warrant; Jodie Garzon seconded. Discussion around the amendments to the Personnel Plan included an increase in salary for an Assistant Town Administrator/Human Resource Director in Schedule A. The adjustment for an Assistant Town Administrator/Human Resource Director were based on a study conducted by HR.Gov as a result of a negotiation proposal with the SEIU Local 888 CBU (Collective Bargaining Unit). Negotiations of the study results are underway. The Personnel Plan includes a 2% Cost of Living Increase. The Finance Committee Meeting Materials are available on the Town's Website:

<https://www.millisma.gov/meeting-materials/pages/fy22-meeting-materials>

Jodie Garzon noted that Article #8 in the Town Meeting Warrant only references Schedule A; not Schedule C. Therefore, Schedule C will be addressed at the November Town Meeting. Schedule C addresses Longevity, Sick Leave Buyback and Bereavement Leave for employees not in a Union or under Contract.

- Amendments to the Personnel Plan
- Board of Health (BOH) Appointing Authority
- Authorized Revolving Funds Fiscal Year Expenditure Limits:
 - Oak Grove Farm Maintenance Fund \$ 35,000.00
 - Animal Control Shelter Fund \$ 3,000.00
 - Fire Alarm Fund \$ 10,000.00
 - Historical Commission Fund \$ 12,000.00
 - Ambulance Department Fund \$ 20,000.00
 - Council on Aging Transportation Fund \$ 5,000.00
 - VMB Custodial/Maintenance Fund \$ 6,000.00
 - School Food Service Fund \$360,000.00
 - School Transportation Fund \$500,000.00
 - Stormwater Management Fund \$ 10,000.00
 - BOH Medical Services/Vax Fund \$ 20,000.00
 - BOH Rabies Clinic/Program Fund \$ 2,500.00
 - School Athletic Fields Fund \$ 35,000.00
 - School Extracurricular Fund \$ 8,000.00
 - Library Special Use Fund \$ 10,000.00
 - Tobacco Control Program \$ 1,000.00
- Community Preservation Fund
 - FY23 Administrative Support and Expenses \$ 13,734.00
 - Long Term Debt Principal \$ 20,000.00
 - Long Term Debt Interest \$ 8,950.00
 - FY23 Historic Resources Reserves \$ 27,469.00
 - FY23 Community Housing Reserves \$ 27,469.00
 - FY23 Open Space Reserves \$ 27,469.00
 - FY23 Budgeted Reserves \$ 80,000.00

; Cathy MacInnes seconded. Vote 9/0 motion carries unanimously.

Article #10 Community Preservation Open Space/Recreation Reserve Fund – Town-Owned Properties Inventory and Management Plan

Mike Guzinski advised the committee to defer this article until their next meeting; no specific dollar amount is outlined in the Warrant and the Community Preservation Commission is meeting to consider funding this article. An RFP (Request for Proposal) will take place on April 27, 2022 – This article will be recommended by the Finance Committee at Town Meeting.

Article #11 Community Preservation Open Space/Recreation Reserve Fund – Oak Grove Farm Trail Improvement Project

Jodie Garzon made a motion to recommend approval of Article #11 from the Community Preservation Open Space/Recreation Reserve Fund; Peter Underhill seconded. Vote: 8/0 1 abstained motion carries.

Article #13 Capital Items

Jodie Garzon made a motion to recommend approval of Article #13 in the amount of \$264,095.00 of which \$169,209.00 will be transferred from Free Cash, \$31,629.00 from Sewer Enterprise Reserves and \$31,629.00 from Water Enterprise Reserve for:

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| ○ Public Safety Radio Console Update | \$112,580.00 |
| ○ Public Safety Radio Backup Generator | \$ 25,000.00 |
| ○ DPW Chevy Silverado with Plow | \$ 54,416.00 |
| ○ DPW Skid Steer | \$ 52,699.00 |
| ○ DPW Message Board | \$ 19,400.00 |

;Peter Underhill seconded. Vote: 9/0 motion carries unanimously.

Article #15 Design and Construction of Sidewalks and Road Improvements

Jodie Garzon made a motion to recommend approval of Article #15 in the amount of \$160,000.00 from Free Cash; Peter Underhill seconded.

John Steadman inquired if \$38,000.00 of this Article would be used to fund engineering costs for the design of sidewalks and the remainder would improve the dilapidated roadway on Route 109 from Hammond Lane to the Medway Town Line. Mike Guzinski confirmed it would. Grant Funds are available for the construction of sidewalks but not for the design of sidewalks. Jodie Garzon noted the great effort the town has taken to fund road improvements, in past years the town has only used Chapter 90 funding.

Craig Schultze confirmed the 4% increase in School and Municipal Operating Budgets adopted by the Tri-Board Committee is the bottom-line budget, not specific to each department.

Vote: John Steadman – aye, Sara Reyes – aye, Cathy MacInnes – nay, Jon Loer – aye, Jim Borgman – aye, Joyce Boiardi – aye, Peter Underhill – aye, Jodie Garzon – aye, Pete Berube – aye. Vote: 8/1 motion carries.

Article #16 Tree Removal/Maintenance

Jodie Garzon made a motion to recommend approval of Article #16 funded from Free Cash; Joyce Boiardi seconded.

Vote: John Steadman – nay, Sara Reyes – aye, Cathy MacInnes – aye, Jon Loer – aye, Jim Borgman – aye, Joyce Boiardi – aye, Peter Underhill – aye, Jodie Garzon – aye, Pete Berube – aye. Vote: 8/1 motion carries.

Article #19 General ByLaw – Powers and Duties of the Town Administrator

This Amendment to the General ByLaw was previously presented at the November 2021 Town Meeting. The Warrant Article, which included changes to both the Town ByLaws and Charter, did not pass due to its complexity. The Select Board has opted to make each amendment separate. The amendment reflects similarities to Town Administrator Power and Duties in surrounding towns. The only change is the signing of payables and payroll. The Town Administrators Powers and Duties are defined in both the Town Charter and ByLaws. A ByLaw change requires a Simple Majority Vote at Town Meeting.

Peter Underhill made a motion to recommend approval of Article #19; Jodie Garzon seconded.

Vote: John Steadman – aye, Sara Reyes – aye, Cathy MacInnes – nay, Jon Loer – aye, Jim Borgman – aye, Joyce Boiardi – aye, Peter Underhill – aye, Jodie Garzon – aye, Pete Berube – aye. Vote: 8/1 motion carries.

Article #20 Charter Amendment – Change Town Clerk from Elected to Appointed

Craig Schultze noted that the change was voted unanimously by the Charter Review Committee, appointed by the Select Board. Jodie Garzon noted that the town should have a qualified and certified Town Clerk in order to fulfill the role and commended the current Town Clerk and staff with performing a tremendous job.

Craig Schultze further clarified that a Charter Amendment to change the composition of the Select Board from a (3) Member Select Board to a (5) Member Select Board can only come to fruition by an Elected Charter Review Committee as opposed to an appointed Charter Review Committee. This Charter Amendment will require a Town Election Vote.

Jodie Garzon noted the change is not a reflection on the current Town Clerk; it prepares the town for the future to hire a qualified individual to fill the important role of Town Clerk. Cathy MacInnes noted the current Town Clerk is prepared to be available more hours during normal business hours and visits residents' during the weekend to accommodate the elderly.

Peter Underhill made a motion to recommend approval of Article #20; John Steadman seconded.

Vote: John Steadman – aye, Sara Reyes – aye, Cathy MacInnes – nay, Jon Loer – aye, Jim Borgman – aye, Joyce Boiardi – aye, Peter Underhill – aye, Jodie Garzon – aye, Pete Berube – aye. Vote: 8/1 motion carries.

Article #21 Zoning ByLaws Amendment – Amendment to Associate Planning Board Member

Jodie Garzon made a motion to recommend approval of Article #21 as written; Joyce Boiardi seconded.

This Article would give the Associate Planning Board Member authority to vote on Special Permits. Vote: 9/0 motion carries unanimously.

Article #22 Zoning ByLaws Amendment – Add I-P2 District to Tables 2 & 3

Jodie Garzon made a motion to recommend approval of Article #22; Joyce Boiardi seconded. Vote: 9/0 motion carries unanimously.

Article #23 Acceptance of MGL Ch. 71 Section 37M Authorization for Consolidated Town Wide Facilities Maintenance

Jodie Garzon made a motion to recommend approval of Article #23 authorizing the consolidation of the Town's Building Facilities Maintenance; John Steadman seconded. Vote 9/0 motion carries unanimously.

Article #24 Unemployment Insurance Fund

Jodie Garzon made a motion to recommend approval of Article #24 in the amount of \$10,275.00 from Free Cash; Peter Underhill seconded. Vote: 9/0 motion carries unanimously.

Article #25 OPEB (Other Post-Employment Benefits) Fund

Jodie Garzon made a motion to recommend dismissal of Article #25; Peter Underhill seconded. It was noted that this Article will hopefully be funded at the November Town Meeting. Vote: 9/0 motion carries unanimously.

Article #26 Stabilization Fund

Jodie Garzon made a motion to recommend dismissal of Article #26; Peter Underhill seconded. Vote: 9/0 motion carries unanimously.

Article #27 Citizen's Petitioned Article – Election of Water and Sewer Commissioners

Jodie Garzon made a motion to recommend approval of Article #27 as written in the Town Warrant; Joyce Boiardi seconded.

This article would amend the Town of Millis Home Rule Charter by adding a new subsection creating an Elected Water and Sewer Commission. The positions would not be salaried but could receive a nominal stipend.

John Steadman does not support this article, he prefers a straight form of government. The Select Board has the authority to set Water and Sewer Rates and manage the Town's Finances. Cathy MacInnes, representing the petitioners, noted a favorable vote at the May Town Meeting will not automatically adopt an Elected Water and Sewer Commission; it is the beginning of the process. The amendment would go to a Town Election if it passes at the May 2022 Town Meeting. The petitioners would continue researching alternatives, receiving residents' input, etc. prior to the May 2023 Town Election.

The Enterprise Fund Advisory Committee (EFAC) which was established and appointed by the Select Board has recently been dissolved by the Select Board. The EFAC reviewed the findings from Community Paradigm and made efforts to meet with the Select Board to discuss. The Sewer Connection ByLaw change was not initiated by the EFAC, although the committee did discuss the need to have more residents with access to town sewer connect in order to alleviate the overall rate of current town sewer Users. The Proposed ByLaw change was not put on the Town Meeting Warrant following the pandemic by Select Board due to its impact it would have on residents and the anticipation that Town Meeting would have low attendance due to the pandemic.

The committee voiced their concerns and support for this article and the merits of moving the process forward and ultimately leaving it up to the residents to make the decision. Unfortunately, it has become a politicized, which has clouded the overall intent of establishing a Water and Sewer Commission.

Vote to approve Article #27: John Steadman – nay, Sara Reyes – nay, Cathy MacInnes – aye, Jon Loer – nay, Jim Borgman – aye, Joyce Boiardi – aye, Peter Underhill – nay, Jodie Garzon – aye, Pete Berube – nay. Vote: 4/5 motion does not carry.

John Steadman made a motion to dismiss Article #27; Peter Underhill seconded. Vote: John Steadman – aye, Sara Reyes – aye, Cathy MacInnes – nay, Jon Loer – aye, Jim Borgman – nay, Joyce Boiardi – nay, Peter Underhill – aye, Jodie Garzon – nay, Pete Berube – aye. Vote: 5/4 motion carries.

Article #28 Citizen's Petitioned Article – General ByLaw Addition – Enterprise Funds Commissioners Powers and Duties

Peter Underhill made a motion to dismiss Article #28; John Steadman seconded. Vote: John Steadman – aye, Sara Reyes – aye, Cathy MacInnes – nay, Jon Loer – aye, Jim Borgman – nay, Joyce Boiardi – nay, Peter Underhill – aye, Jodie Garzon – nay, Pete Berube – aye. Vote: 5/4 motion carries.

Finance Committee Meeting Minutes Approval:

Jodie Garzon made a motion to approve the Finance Committee's Meeting Minutes from April 6, 2022; Cathy MacInnes seconded. Vote: 9/0 motion carries unanimously.

Adjourn Meeting:

Jodie Garzon made a motion to adjourn the Finance Committee Meeting at 9:37 PM; Peter Underhill seconded. Vote: 9/0 motion carries unanimously.

Respectfully submitted,
Deirdre Gilmore